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Exhibit B

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Procedure: 104-Transfer of Funds (money) Between UW-Madison
Departments/Funding Sources
Date: 08/17/05

Statement of Procedure:

- Purchase of goods or services within UW-Madison
- Salary Payment Transfers
- Non-Salary Payment Transfers
- Transfer of funds (money) for allowable program support, including salary support
- Funds (money) availability in 133 and 144 project/grants

Purchase of goods or services within UW-Madison:

- Use Interdepartmental Billing Form for direct charge or issue an internal requisition. Use appropriate class code for buying department and internal sales credit code for selling department. For major internal billing units (e.g. Physical Plant, MDS) follow their specific procedures.

  Note: Use of salary class codes is not permitted.

- If services are provided by an individual, use class code 3350 (internal services) for the charge and 3960 (internal sales) for the credit. On interdepartmental billing form/requisition, state an explanation such as "for services provided by departmental personnel for the period of
_____".

Salary Payment Transfers:

- A salary payment transfer should be used to change any coding element on a previous salary payment. A salary payment transfer must identify an associated appointment ID number and pay period to be reflected in the Salary Fringe Detail (SFD) file in Wisdm.
See Salary Cash Transfer Form
Actual fringe benefits corresponding to the salary transfer are also automatically transferred and posted in the journal that is created.

- A summary transfer of lump sum salary amounts is also acceptable; however these amounts must be identified at least at the class code level. An attached listing of individuals involved must be included or documented at the department originating the transfer. Corresponding fringe benefit amounts must also be calculated at the extramural project rate and included for transfer at the class code level (1899 for unclassified and 1999 for classified). **Note: lump sum salary transfers will not be posted to the SFD file; they will post only to the General Ledger in SFS/Wisdm. Lump sum transfers must be submitted using the non-salary payment transfer form.**

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Exhibit X

See Payment Transfer Request (Non-Salary)
Exception: Lump sum salary transfer is not an option for 133/144 project/grant funding due to implications of salary transfers on effort reporting (PAR).

Non-Salary Payment Transfers:

- A non-salary payment transfer form should be used to change any coding element on a previous payment. The voucher(s) number of the payment being transferred must be identified. If several vouchers are involved, use of the word "Various" can be assigned on the payment form, but an attached listing of individual voucher numbers must be included or documented at the department originating the transfer.
See Payment Transfer Request (Non-Salary)

- A summary transfer of lump sum amounts is also acceptable; however these expenditures must be identified at least at the class code level. An attached listing of individual voucher numbers must be included or documented at the department originating the transfer.

Transfer of funds (money) for allowable program support, including salary support:

- If both funds (charge and credit) are the same GPR fund, process a budget transfer.
See Madison Budget Office

(GPR funds are 101 thru 119, 126, 171 thru 179, 402, 403, and 406)

- If transferring money between funds (expenditures must be allowable on both funding sources) issue a requisition or use the interdepartmental billing form for direct charge, assigning class code 3302 for both the charge and credit. Class code 3302 is defined as "transfers other". Use of class/account code 3302 is for Dean/Division Office use only.

Note Exception: Funds (money) transfer on class code 3302 is not allowed on the following funds: 101 projects, 133,135,142,144,161 projects/grants.

Funds (money) availability in 133 and 144 project/grants:

- To maintain the integrity of these project/grants, it is not possible to process "fund transfers" on 133 and 144. RSP establishes segregated accounts for a specific purpose (as outlined in the RSP transmittal form and attached proposal/grant/contract/documentation). In accordance with the terms and conditions provided by the sponsors, incurred project/grant expenditures must be readily identifiable as reasonable, allocable, allowable and consistently treated. Allowing "fund transfers" would lead to the possibility of commingling unrelated funds in accounts leading to multiple accounting and reporting problems.

- Instead, there are mechanisms available to allow multiple departments to

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use these accounts. The most common and simplest approach is to request the addition of spending edits on a 133 and 144. Adding a department's UDDS to the authorized list of spending edits authorizes encumbrances and expenditures with those edits to be processed in the accounting system. Requests to expand edits are handled via email routed to RSP via the appropriate school/college.

- A second option is the creation of sub-accounts. For projects with complex accounting or programmatic requirements, a single account is not practical. In those cases, multiple accounts can be created—each with its own budget and spending authority. These "sub-accounts" are linked in ESIS through the use of the "senior account" field. All related sub-accounts share the same reference information in their "senior account" field.

  Requests for sub-account(s) are made through Research and Sponsored Programs using one of these forms available on the RSP website:
  Request to Establish a Single Sub-Account Form
  Multiple Sub-Account Form

Related Policy:

104-Transfer of Funds (money) Between UW-Madison Departments/Funding Sources

Who should know this procedure?

Deans, Directors, and Staff who deal with transfers

Related Documents:

Interdepartmental Billing Form
Salary Cost Transfer Form
Payment Transfer Request (Non-Salary)
Request to Establish a Single Sub-Account Form RSP
Multiple Sub-Account Form RSP

Contacts:

Dave Diericks

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